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TAGS: [PGOV](#) [CH](#)  
SUBJECT: LEADERSHIP RUMORS IN ADVANCE OF THE PARTY CONGRESS

REF: A. BEIJING 6157  
[1](#)B. BEIJING 5706  
[1](#)C. BEIJING 5139  
[1](#)D. BEIJING 2711  
[1](#)E. BEIJING 2190

Classified By: Political Internal Unit Chief  
Dan Kritenbrink. Reasons 1.4 (b) and (d).

Summary  
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[1](#)1. (C) Contacts continue to speculate on impending high-level personnel changes as Beijing prepares for the opening of the 17th Communist Party Congress on October 15. Decisions have reportedly "largely" been made but remain "top secret," with last-minute changes still a possibility. A "core" of the current leadership is likely to stay, contacts say, namely President Hu Jintao, Premier Wen Jiabao and Vice President Zeng Qinghong. NPC Vice Chairman Wang Zhaoguo's star appears to be on the rise, with one contact claiming Wang is in charge of the Congress personnel selection process. Other strong Politburo Standing Committee (PBSC) candidates include Guangdong Party Secretary Zhang Dejiang, Hubei Party Secretary Yu Zhengsheng and State Councilor and Public

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Security Minister Zhou Yongkang. Opinion remains split over the prospects of fifth generation star and Hu Jintao protege Li Keqiang, with one source believing Li to be a "lock" for a top spot, while another says Shanghai Party Secretary Xi Jinping remains "ahead" of Li Keqiang in the race for the PBSC, and to succeed Hu Jintao in 2012. Meanwhile, NPC Chairman Wu Bangguo's status seems uncertain, with one contact claiming he will be dropped from the PBSC due to health concerns and corruption allegations involving his son. "Competitive elections" will reportedly be held for Central Committee and Politburo slots, with 15 percent more candidates than seats running for positions. Even though Hu Jintao's power is ascendant, he must continue to negotiate over personnel decisions and cannot dictate all outcomes, contacts say. End Summary.

Leadership Decisions "Largely Made," but...  
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[1](#)2. (C) As Beijing prepares for the opening of the 17th Communist Party Congress on October 15, to be preceded by the opening of the Seventh (and final) Plenum of the 16th CCP Central Committee on October 9, contacts claim that personnel decisions for the Party's top spots have "largely" been made, which is why a precise date for the opening of the Congress was publicly announced (Ref B). For example, Central Party School (CPS) Professor Qin Zhilai (strictly protect) on September 20, and Executive Deputy Director of the CPS Institute for International Strategic Studies Kang Shaobang (strictly protect) on August 30, separately assessed that agreement on an opening date of the Congress could have come

only after reaching "general" agreement on high-level personnel appointments. Nevertheless, Zhang Xiantang (strictly protect), a senior journalist at the State Council-affiliated newspaper Economic Times, told Poloff on September 18 that, even though it would be "much too dangerous" to agree on a Congress opening date without having largely settled personnel questions, jockeying is continuing and last-minute changes are still possible. Calling it China's version of an "October surprise," Zhang said Party personnel decisions are a "high stakes game," with players attempting to introduce "new," and potentially damaging, information on candidates in an attempt to undo previously agreed upon arrangements at the last minute. Regardless, Qin Zhilai lamented, whatever has been decided remains "top secret," so outside observers are left only to speculate

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about possible outcomes.

"Core" of Leadership to Remain  
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13. (C) Despite the secrecy surrounding top-level personnel decisions, Post contacts continue to assess that the "core" of the current leadership likely will remain (Ref B), namely President Hu Jintao, Premier Wen Jiabao and Vice President Zeng Qinghong. This was the shared judgment of Kang Shaobang, Qin Zhilai and Zhang Xiantang. (Note: Zeng Qinghong is concurrently President of the CPS, and CPS Professors Kang and Qin were "virtually certain" that he would remain on the PBSC, though they did not rule out his changing portfolios.) Zhang Xiantang noted that Hu, Wen and Zeng have cooperated "very well," stating that "no major differences" exist among them. Although Zeng of course had long been viewed as a Jiang Zemin ally, Zhang asserted that Zeng had been on board with the ouster of Chen Liangyu, having played a major role in bringing down the former Shanghai Party Secretary and in getting Jiang Zemin to bless

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the move, eventually resulting in a unanimous Politburo vote in favor of Chen's ouster. That was just the most conspicuous example of the collaboration among these three leaders, which is why Hu Jintao would be in favor of keeping this "team" intact, Zhang argued.

Other Candidates: Wang, Zhang, Zhou  
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14. (C) Although opinion among contacts on other high-level personnel decisions was not unanimous, several contacts said NPC Vice Chairman Wang Zhaoguo's star is on the rise. CPS's Kang Shaobang repeatedly emphasized that Wang is the leading candidate to enter the PBSC and was "far ahead" of other contenders. Wang has been in senior Party positions for several years, having previously been groomed by Deng Xiaoping to become a senior Party leader, and enjoys good relations with Hu Jintao. The Economic Times' Zhang similarly assessed that Wang is headed for the PBSC, calling him "Hu Jintao's guy" and explaining that Wang had previously fallen out of favor for his previous association with Zhao Ziyang and Hu Yaobang but is now poised to make a "complete comeback." (Note: Zhang said he understood that Wang Zhaoguo is also in charge of the "personnel small group" that has handled the personnel selection process for 17th Party Congress. Zhang claimed this small group is "separate" from the Party Organization Department and was created especially for the Congress, having been tasked with listening to a "wide range" of opinions in selecting candidate lists for Party slots.)

15. (C) Yi Xiaoxiong (strictly protect), Chinese-American Professor at Marietta College, who has various family ties to Wang Zhaoguo, told Poloff on September 21 that his contacts also tout Wang as a strong candidate for the PBSC. Yi views Wang as a "stabilizing" and "balancing" force on the PBSC and

cautioned against viewing him solely as a Hu Jintao ally. Though he has good relations with Hu, Wang also reportedly is viewed within the Party as being extremely competent and experienced, also enjoying good relations with the "princeling" faction of the Party. CPS Professor Qin Zhilai sounded the lone discordant note on Wang Zhaoguo, telling Poloff that Wang was likely to be retired at the Congress.

16. (C) Other top candidates for the PBSC reportedly include Guangdong Party Secretary Zhang Dejiang, Hubei Party Secretary Yu Zhengsheng and State Councilor and Public

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Security Minister Zhou Yongkang. Zhang Dejiang, according to Qin Zhilai and Zhang Xiantang, will likely make the Party's top body, with Zhang Xiantang calling the Guangdong Party Secretary a "Jiang Zemin ally" and speculating that he is

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also a leading contender for a Vice Premier position at next March's National People Congress (NPC), perhaps even the Executive Vice Premier slot. Yu Zhengsheng, according to Zhang Xiantang, is a "leading princeling" and another prime contender for both the PBSC and for one of the Vice Premier slots at next March's NPC. (Note: Yu Zhengsheng's father had once been married to Jiang Qing, who later became Mao Zedong's wife, Zhang said. Yu Zhengsheng's wife is also a "princeling," according to Zhang.) Qin Zhilai separately agreed that Yu's future prospects for the PBSC are bright. Zhou Yongkang is almost certain to take over the law enforcement portfolio currently handled by Luo Gan, according to Kang Shaobang, Qin Zhilai and Zhang Xiantang, though Zhang said it is not definite that Zhou would take Luo Gan's place on the PBSC.

Fifth Generation Competitors: Li vs. Xi

17. (C) Opinion remains split over the prospects of fifth generation star and Hu Jintao protégé Li Keqiang. On one end of the spectrum, Economic Times' Zhang Xiantang was adamant that the Liaoning Party Secretary remains the "only" fifth generation leader with the right pedigree and training to ascend to the PBSC now and to succeed Hu Jintao in 2012. Li shares a Communist Youth League background with Hu Jintao, who selected him for elevation early on, after which Li served successfully in both Henan and Liaoning, two very different provinces, as Party Secretary. Zhang argued that Li is a virtual "lock" to be promoted to the Party's top body and thought he might even be designated as Hu's likely successor at the Congress, all of which would make sense for a "smooth" transition in 2012. (Note: As reported Ref A, Zhang also claimed that Li Keqiang is in charge of the group that drafted Hu Jintao's Political Report for the Congress.)

18. (C) Other contacts disagreed that Li Keqiang is a sure bet for the PBSC. The Party School's Kang Shaobang, for example, echoed the doubts that he and others have expressed previously about Li's prospects (Refs B, D and E). Kang conceded that "so many people" are talking about Li for the

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PBSC that he might in fact make it, though Kang said he personally continues to have serious doubts about such a scenario. While Li Keqiang is regarded as a "good person," many in the Party are not impressed by his accomplishments and instead note the "many problems" that occurred during his tenure in Henan and Liaoning. Moreover, Kang argued, it is "quite difficult" to make the leap all the way from the Central Committee to the PBSC, noting that apart from Hu Jintao, "very few" leaders in Party history have pulled off such a feat, which means it is still quite possible that no one from the fifth generation will make it to the PBSC.

19. (C) Party School Professor Qin Zhilai went a step further, arguing not only that Li Keqiang's elevation to the PBSC

remains "controversial," but also that it is Shanghai Party Secretary Xi Jinping, not Li Keqiang, who is the "front

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runner" in the race for a fifth generation seat on the PBSC and to succeed Hu Jintao in 2012. Qin said Hu Jintao was certainly behind the push to promote Li, which he views as a test of Hu's strength. Hu is "obviously" stronger as heads into this, his first Congress as General Secretary, Qin said, a fact all the more evident with the announcement that the Party Constitution will be revised to reflect Hu's key concepts (Ref A). It nevertheless remains unclear whether Hu has the muscle to get Li Keqiang on the PBSC. While agreeing that Li has a "bright future," Qin repeatedly emphasized that, in light of their respective "standing" within the Party, it is Xi Jinping, not Li Keqiang, whom we should "really pay attention to." Qin conceded that he was not sure how this assessment might work out in terms of specific personnel appointments at the Congress. It is possible that neither Li nor Xi get on the top body. But, he cautioned, no one should "write Xi off" just because he was appointed to Shanghai as Party Secretary, which many had initially thought indicated that Xi was likely to make the Politburo, but not the PBSC. (Note: Qin also said he was "skeptical" of the notion that Li Keqiang has been in charge of the drafting of Hu's Political Report to be delivered at the Congress.)

¶10. (C) Apart from Li Keqiang and Xi Jinping, other "promising" young fifth generation leaders likely to newly join the Politburo (but not its standing committee), include Chongqing Party Secretary Wang Yang, Tianjin Party Secretary Zhang Gaoli, Shandong Party Secretary Li Jianguo and "perhaps" current Commerce Minister Bo Xilai, according to Kang Shaobang. Qin Zhilai separately agreed with this list, except he had Jiangsu Party Secretary Li Yuanchao in place of Li Jianguo on the "short list" to make it to the Politburo.

Additional Rumors: Wu Bangguo On the Way Out?

¶11. (C) Speculation varied considerably regarding the fate of several current members of the Politburo Standing Committee, including NPC Chairman Wu Bangguo and ideology chief Li Changchun. Professor Kang Shaobang, for example, insisted that Wu Bangguo will step down from the PBSC, citing Wu's undefined health issues as well as "corruption problems" involving Wu's son, who is reportedly under investigation by the Party Central Discipline Inspection Commission. Zhang Xiantang assessed that Wu Bangguo's status is "unclear," with several of Zhang's contacts reportedly saying Wu is out, while others claim that he will stay. Qin Zhilai, by contrast, still thought Wu is likely to remain on the PBSC. Meanwhile, Zhang Xiantang argued that Li Changchun's status is also unclear, with strong arguments being made among Beijing observers both for and against his remaining on the PBSC. Qin Zhilai, however, thought it likely that Li Changchun would retain his PBSC slot.

¶12. (C) Contacts also speculated broadly on the possible fate of other Politburo members. Current PBSC members Wu Guanzheng, Jia Qinglin and Luo Gan will all "certainly" step down, according to Kang Shaobang and Zhang Xiantang. Qin Zhilai agreed, though he noted there are still "voices" who claim that Jia Qinglin continues to have an "outside chance" of keeping his PBSC position. Contacts continue to agree that Wu Yi will "almost certainly" retire, as apparently is her wish, though Zhang Xiantang claimed he continues to hear rumors that she might be convinced to take a "special" high-level slot, perhaps even the Vice Presidency. He thought it more likely, however, that a senior slot on the Politburo would be given to another female leader, United Front Work Department Head Liu Yandong. Qin Zhilai agreed that Liu Yandong has a good shot at receiving a promotion, though he said one cannot totally rule out another female leader, State Councilor Chen Zhili, from also competing for a Politburo slot. Zhang Xiantang and Qin Zhilai both agreed that Zeng Peiyan and Cao Gangchuan would retire. Hui Liangyu is likely to stay on the Politburo and retain his Vice

Premier slot next March. (Note: Zhang speculated that Bo Xilai and NDRC Chairman Ma Kai were other possible contenders

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for Vice Premier slots at next March's NPC.) Zhang and Qin also agreed that Wang Gang was likely to be promoted to the full Politburo, and that He Guoqiang and Guo Boxiong would retain their Politburo slots. As for Propaganda Department Head Liu Yunshan, opinion was split. Qin Zhilai thought Liu still had a slim chance of being promoted to the PBSC. Marietta College Professor Yi Xiaoxiong, who has ties to Liu's family, however, reversed his earlier prediction about a possible promotion for Liu (Ref B), more recently arguing that he is hearing a great deal of criticism within the Party of the propaganda apparatus for which Liu is responsible, which has caused Yi now to be "highly skeptical" of Liu's prospects.

"Elections" for the Central Committee, Politburo  
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¶13. (C) "Elections" for the Party Central Committee and Politburo will be more competitive than those held at the 16th Party Congress in 2002, Zhang Xiantang claimed. (Note: As called for in the Party Constitution, the 2,217 delegates to the Party Congress will "elect" the approximately 200 new members of 17th CCP Central Committee. Immediately following the Congress, the new Central Committee will then convene its first Plenum to "elect" the members of the Politburo and the Politburo Standing Committee.) Zhang said he understood that the number of candidates would be 15 percent greater than seats available for both the Central Committee and Politburo. What remains unclear, however, is whether there will be any competition for PBSC slots, or whether Central Committee members would merely approve a slate of candidates corresponding precisely to the number of Standing Committee seats available. (Note: Zhang said there was no competition for PBSC seats in 2002.) Separately, Qin Zhilai said he also understood that elections for the Central Committee and Politburo would be "competitive," but he did not know to what extent, or whether this would hold true for the PBSC as well.

Hu Jintao's Power Ascendant, but Still Faces Limits  
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¶14. (C) Contacts across the board have been unanimous in assessing that Hu Jintao's power and influence are ascendant and that he will emerge from the Congress in a stronger position than before. Nevertheless, sources at the same time stressed that balance among competing "factions" with the Party will be maintained, and that it simply is not possible for Hu Jintao to completely have his way with personnel appointments. Zhang Xiantang, who assessed that we will witness the start of the "Hu Jintao era" at the Congress (Ref A), with Hu's increased influence evident across both policy and personnel spheres, nevertheless conceded that Hu will have to take into account the interests of others, including Jiang Zemin, who will maintain some limited influence over personnel decisions. Moreover, some consideration has to be given to "competence," Zhang argued, not just to packing the top Party bodies with personal loyalists, meaning it might be hard to assess after the Congress precisely how various Party "factions" have fared on appointments.

¶15. (C) Kang Shaobang similarly argued that Hu is "clearly in control" of the Party, which was evidenced first and foremost by his takedown of Chen Liangyu, with Jiang Zemin's influence obviously on the wane. Personnel appointments are not the most important indicator of Hu's power, Kang asserted, saying he places much more emphasis on Hu's manifest ability to determine the Party's direction in terms of policy, which makes him China's "most decisive" leader. Qin Zhilai agreed, echoing Kang's and Zhang's comments that Hu continues to grow in strength while Jiang weakens. Nevertheless, Qin emphasized, Hu is "not a dictator" and must still deal with

others in the Party to reach consensus decisions on a number of matters, including personnel.  
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